

Department of Community Planning and Economic Development – Planning Division
Rezoning and Conditional Use Permit
BZZ-5848

Date: December 3, 2012

Applicant: CPM Development

Address of Property: 315 27th Avenue SE

Project Name: 315 27th Avenue SE Rezoning

Contact Person and Phone: Carol Lansing with Faegre Baker Daniels LLP, (612) 766-7005

Planning Staff and Phone: Kimberly Holien, (612) 673-2402

Date Application Deemed Complete: November 7, 2012

End of 60-Day Decision Period: January 6, 2013

End of 120-Day Decision Period: On November 21, 2012, staff sent a letter to the applicant extending the City's decision period for an additional 60 days, to March 7, 2013.

Ward: 2 **Neighborhood Organization:** PPERRIA

Existing Zoning: I1, Light Industrial district, UA, University Area Overlay district and PO, Pedestrian Oriented Overlay district

Proposed Zoning: C4, General Commercial district and retaining both overlay districts

Zoning Plate Number: 22

Lot area: 44,880 square feet

Legal Description: The southeasterly 144 feet of Lot 1, Auditor's Subdivision No. 260, Hennepin County, Minnesota.

Proposed Use: Blood/plasma collection facility.

Concurrent Review:

- Rezoning from the I1, Light Industrial district to the C4, General Commercial district (retaining the UA and PO Overlay districts).
- Conditional use permit for a blood/plasma collection facility in the C4 district.

Applicable zoning code provisions: Chapter 525: Article VI, Zoning Amendments; Chapter 525: Article VII, Conditional use permits.

Background: The site is located at the intersection of 27th Avenue SE and University Avenue SE. The parcel is a through lot that also has frontage on 4th Street SE. The proposal is to establish a blood/plasma collection facility and up to three retail tenants in the existing building. The base zoning of the site is I1, Light Industrial and blood/plasma collection facilities are not a permitted use in this district. Blood/plasma collection facilities are only allowed in the C4, General Commercial district and the B4C, Downtown Commercial district. Therefore, the applicant is applying to rezone the property from the I1, Light Industrial district to the C4, General Commercial district. A conditional use permit is also required for the proposed use.

The building most recently contained a printing and publishing use and is now vacant. The proposal at this time includes façade improvements to the existing industrial building, specifically the installation of glass storefront systems. The project would also include significant interior remodeling to fit the building for a blood/plasma collection facility. The plasma center would be 14,958 square feet in area and the remainder of the building would include commercial tenants. The overall size of the building is 28,129 square feet. The site has surface parking fronting along University Avenue SE and 4th Street SE. The applicant is proposing to add landscaping and screening materials within the parking areas and is also proposing to modify an existing loading dock on the north side of the building.

The proposed blood/plasma collection facility, CSL Plasma, is currently located two blocks away from the subject site, at 1026 Washington Avenue SE. This is the site of a future redevelopment project, known as WaHu, and therefore the use is looking to relocate. The use is licensed by the Food and Drug Administration and is locally regulated by the Minnesota Department of Labor and Industry for compliance with state and federal standards. CSL Plasma processes 400-600 donors each day with 95 percent of the donors living within a 5-mile radius of the center. Each new donation takes approximately 100 minutes to complete and repeat donors can complete the process in 90 minutes or less. The proposed floor plan includes a large waiting room and an exit lounge for donors who are waiting for a ride or public transportation. Additional details on the proposed use and donation process are available in the attached statement from the applicant.

Staff had not received any correspondence from PPERRIA as of the writing of this report. Any correspondence, if received, will be forwarded on to the Planning Commission for consideration.

REZONING: from the I1, Light Industrial district to the C4, General Commercial district.

Findings as required by the Minneapolis Zoning Code:

1. Whether the amendment is consistent with the applicable policies of the comprehensive plan.

The Minneapolis Plan for Sustainable Growth identifies this site as mixed use on the future land use map. The site is located within an Activity Center, near a Growth Center and along

University Avenue which is a commercial corridor in this location. The site is also within a Transit Station Area. According to the principles and policies outlined in the comprehensive plan, the following apply to this proposal:

Land Use Policy 1.1: Establish land use regulations to achieve the highest possible development standards, enhance the environment, protect public health, support a vital mix of land uses, and promote flexible approaches to carry out the comprehensive plan.

1.1.4 Support context-sensitive regulations for development and land use, such as overlay districts, in order to promote additional land use objectives.

1.1.5 Ensure that land use regulations continue to promote development that is compatible with nearby properties, neighborhood character, and natural features; minimizes pedestrian and vehicular conflict; promotes street life and activity; reinforces public spaces; and visually enhances development.

Land Use Policy 1.3: Ensure that development plans incorporate appropriate transportation access and facilities, particularly for bicycle, pedestrian, and transit.

1.3.1 Require safe, convenient, and direct pedestrian connections between principal building entrances and the public right-of-way in all new development and, where practical, in conjunction with renovation and expansion of existing buildings.

1.3.2 Ensure the provision of high quality transit, bicycle, and pedestrian access to and within designated land use features.

Land Use Policy 1.8: Preserve the stability and diversity of the city's neighborhoods while allowing for increased density in order to attract and retain long-term residents and businesses.

1.8.1 Promote a range of housing types and residential densities, with highest density development concentrated in and along appropriate land use features.

Land Use Policy 1.10: Support development along Commercial Corridors that enhances the street's character, fosters pedestrian movement, expands the range of goods and services available, and improves the ability to accommodate automobile traffic.

1.10.1 Support a mix of uses – such as retail sales, office, institutional, high-density residential and clean low-impact light industrial – where compatible with the existing and desired character.

1.10.3 Discourage uses that diminish the transit and pedestrian character of Commercial Corridors, such as some automobile services and drive-through facilities, where Commercial Corridors intersect other designated corridors.

1.10.5 Encourage the development of high-density housing on Commercial Corridors.

Land Use Policy 1.12: Support Activity Centers by preserving the mix and intensity of land uses and by enhancing the design features that give each center its unique urban character.

- 1.12.1 Encourage a variety of commercial and residential uses that generate activity all day long and into the evening.
- 1.12.2 Encourage mixed use buildings, with commercial uses located on the ground floor and secure entrances for residential uses.
- 1.12.4 Discourage uses that diminish the transit and pedestrian character of Activity Centers, such as automobile services, surface parking lots, and drive-through facilities.
- 1.12.5 Encourage a height of at least two stories for new buildings in Activity Centers, in keeping with neighborhood character.
- 1.12.6 Encourage the development of high- to very-high density housing within the boundaries of Activity Centers.

Land Use Policy 1.13: Support high density development near transit stations in ways that encourage transit use and contribute to interesting and vibrant places.

- 1.13.1 Encourage pedestrian-oriented services and retail uses as part of higher density development near transit stations.
- 1.13.3 Discourage uses that diminish the transit and pedestrian character of areas around transit stations, such as automobile services, surface parking lots, and drive-through facilities.
- 1.13.5 Concentrate highest densities and mixed use development adjacent to the transit station and along connecting corridors served by bus.

Land Use Policy 1.15: Support development of Growth Centers as locations for concentration of jobs and housing, and supporting services.

- 1.15.3 Encourage the development of high- to very high-density housing within Growth Centers.

The proposed C4 zoning is not consistent with the above policies of the Comprehensive Plan. The C4 zoning district allows the broadest range of commercial uses among the commercial districts, including uses that are not compatible with adjacent residential uses. While the Pedestrian Oriented Overlay district prohibits auto-oriented uses and the nearby residential zoning would prohibit a firearms dealer from being established on site, there are other uses in the C4 district that would be incompatible with the adjacent residential uses and the pedestrian character of the surrounding area, such as pawn shops and extermination shops.

Additionally, city policies call for high- to very-high residential development in this location and the C4 district allows for the least amount of density among the five commercial districts. The C4 district requires 900 square feet of lot area per dwelling unit. If this site were to be redeveloped in the future, the proposed zoning (without bonuses) would allow for 47 dwelling units per acre, which equates to medium density development. This type of density is not consistent with the above policies for Activity Centers, Transit Station Areas or near Growth Centers and may result in an underutilization of the site.

The site is also located within the study area of the *Stadium Village Master Plan*, adopted by the City Council in August of 2012. The future land use map in this small area plan identifies the site for mixed use. The site is within the Prospect Park Station Area and the smaller 27th Avenue Open Space Character District in the plan. Applicable policies related to this smaller district are as follows:

- District is a primary north/south connection through the study area.
- Numerous potential redevelopment opportunity sites defined in the district along 27th Avenue.
- Opportunity to improve character of public realm with streetscape enhancements, stormwater management and architectural guidelines.
- Informal character border or buffer with Prospect Park neighborhood.

The recommendations for the Prospect Park Station Area that are applicable to the site are as follows:

- Higher density residential development in the area west of 27th Avenue and on the neighborhood side of University Avenue.
- Support the redevelopment of this area with high density residential mixed use, with retail primarily fronting on University Avenue.
- Encourage a mix of uses that complements those in the Stadium Village commercial core and expands upon the options available.

For the 4th Street SE and University Avenue SE Corridors, the plan says the following:

- Encourage the development of medium to high density mixed-use development facing towards University Avenue SE on both sides, with transitions to a residential character and frontage on parallel streets at the rear of the sites.
- Encourage redevelopment of 4th Street SE as a primarily high density residential street with a range of housing types. Allow for a limited amount of mixed use, particularly around station areas, that complements the residential character.

The land use recommendation for the Prospect Park Station Area call for supporting the redevelopment of the area with high density residential development on the subject site.

The adopted small area plan also calls for high density residential development and/or mixed use development with retail fronting along University Avenue SE. While the proposed

project includes retail fronting along 4th Street, the proposed C4 zoning would not allow for the density called for in the plan if the site were to be redeveloped in the future.

2. Whether the amendment is in the public interest and is not solely for the interest of a single property owner.

A rezoning to the C4, General Commercial district would be solely for the interest of the property owner. Rezoning from the I1, Light Industrial district to the C4, General Commercial district is not supported by City policy and could potentially introduce uses that are not compatible with the adjacent residential properties. Further, the rezoning would not allow for high-density residential development as called for in adopted plans, if the site were to be redeveloped in the future. C4 zoning in this location would not serve the public interest.

3. Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of particular property.

The surrounding area contains a mix of residential and commercial uses and various zoning classifications. The property to the west is zoned C3A and contains a mixed use building with office and clinic space on the first floor and housing above. The property to the north at 2635 4th Street SE has a pending request to rezone from I1 to R6 to allow a planned unit development with 197 residential units. The property to the northwest is zoned I1 and contains the University of Minnesota's land maintenance facility. The property to the east is zoned OR3 and contains a large office building. The property to the south is zoned C2 and contains a reception/meeting hall. While the site is on a commercial corridor, the proposed rezoning to C4, General Commercial would not be compatible with the adjacent residential uses.

The C4, General Commercial district allows the widest range of commercial uses of any commercial zoning classification. This district allows some intense commercial uses that are not compatible with residential uses or the pedestrian character of the surrounding area. Uses that are allowed in the C4 district that are not allowed under the current I1 zoning or any other commercial district (aside from B4C) include the following: firearms dealer, pawnshop and exterminating shop. It should be noted, however, that a firearms dealer would not be possible in this location due to its proximity to residential zoning. The C4 district, as with the I1 district, allows several automobile-oriented and transportation uses that are not allowed in other commercial districts. However, those uses would not be allowed in this location due to the presence of the Pedestrian Oriented Overlay district. A full listing of the differences between the existing I1 zoning and the proposed C4 zoning has been attached for reference.

4. Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of particular property.

There are reasonable uses of the property permitted under the current I1, Light Industrial zoning classification. There are a significant number of light industrial uses allowed under the current zoning. The I1 district also allows several other types of uses that are compatible with the surrounding area. The I1 district allows a limited number of retail sales and service uses, offices, food and beverage uses, commercial recreation, entertainment and lodging uses, medical facilities and others. Specific retail sales and service uses include art galleries and studios, building material sales, child care centers, contractor's offices, day labor agencies, farmer's markets, off-sale liquor stores, motorized scooter sales, neighborhood electric vehicle sales and photocopying. Food and beverage uses such as coffee shops, night clubs and restaurants are also allowed under the current zoning. It is worth noting that the I1 district does not allow any residential uses and the Industrial Living Overlay district (ILOD) is not present on this site.

5. Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of particular property.

In 1984 the property was rezoned from the B1-2 (commercial) district to the M1-1 (light industrial) district. With the adoption of the new zoning code in 1999, the property went from the M1-1 district to the equivalent I-1, Light Industrial district. There has been a change in the character of the area and the trend of development in the area since the property was rezoned to light industrial. There has been an ongoing change in the character and trend of development within the general area due to the proximity of the site to the University of Minnesota and the construction of the Central Corridor LRT line. The area is experiencing a lot of redevelopment, including mixed-use development and high-density residential development. A transit station is being constructed two blocks east of the site, at 29th Avenue SE and University Avenue SE. Adopted City plans and policies, including the newly adopted Stadium Village Master Plan, call for pedestrian-oriented mixed-use or residential development on the site and in the surrounding area. While the site would retain the PO, Pedestrian Oriented Overlay district as part of the application, the C4 district allows some uses that are not consistent with this pedestrian-oriented vision or the existing uses in the area. Furthermore, the density allowed in the C4 district is not consistent with adopted City policies for this site in an Activity Center and Transit Station Area.

CONDITIONAL USE PERMIT: to allow a blood/plasma collection facility

Findings as required by the Minneapolis Zoning Code:

The Minneapolis Department of Community Planning and Development, Planning Division, has analyzed the application and from the findings above concludes that the establishment, maintenance, or operation of the proposed conditional use:

1. Will not be detrimental to or endanger the public health, safety, comfort or general welfare.

Relocating this use from the site at 1026 Washington Avenue SE to the subject site should not be detrimental to or endanger the public health, safety, comfort or general welfare. The use has been operating two blocks away for approximately 30 years. The applicant has indicated that they have a long history of complying with all applicable federal and state regulations for plasma donation, collection and transportation. The continued operation of this use in this general area should not prove detrimental. However, staff is not recommending approval of the rezoning request and therefore is also recommending denial of the conditional use permit.

The proposed use functions as a medical facility, with all activity occurring within the building. The proposed floor plan includes a large waiting room, an exit lounge for clients who may be waiting for transportation and is large enough to accommodate 400-600 people each day. The statement submitted by the applicant asserts that the floor plan is designed to optimize donor flow, utilizing the latest center design and technology to reduce the amount of time a donor spends within the center. The proposed location is slightly larger than the existing facility and includes four more donor beds and approximately 5,500 square feet of additional gross floor area. There is no strong history of complaints related to the existing facility. If the rezoning were to be approved, staff recommends a condition of approval related to the cleaning up of litter within 100 feet to further ensure that the use will not impact the surrounding area.

2. Will not be injurious to the use and enjoyment of other property in the vicinity and will not impede the normal or orderly development and improvement of surrounding property for uses permitted in the district.

The proposed use should not be injurious to the use and enjoyment of other property in the vicinity or impede the normal and orderly development and improvement of the surrounding area. The use is currently located two blocks away from the subject site and has not had an impact on the trend of development that has been occurring in the area in recent years. However, as noted above, staff is not recommending approval of the rezoning request and therefore is also recommending denial of the conditional use permit.

3. Adequate utilities, access roads, drainage, necessary facilities or other measures, have been or will be provided.

Utilities and access roads are existing and adequate. The site has two parking lots; one which is accessed from 27th Avenue SE and one which is accessed from 4th Street SE. In the event that the applications were approved, the applicant would be required to work closely with the Public Works Department, the Plan Review Section of the Inspections Department and the various utility companies during the duration of the development should the plan be approved. This would be required to ensure that all procedures are followed in order to comply with city and other applicable requirements.

4. Adequate measures have been or will be provided to minimize traffic congestion in the public streets.

The proposed use is not expected to contribute to traffic congestion in the public streets. The parking requirement for a blood/plasma collection facility is one space for each 500 square feet of gross floor area in excess of 4,000 square feet, or a minimum of four spaces. The proposed use is 14,982 square feet, requiring 22 spaces. The required parking is reduced to 75 percent of the base requirement because the site is located in the Pedestrian Oriented Overlay district. This reduces the requirement for the blood/plasma collection facility to 16 spaces. The parking requirement for retail uses is one space per 500 square feet of gross floor area in excess of 4,000 square feet or a minimum of four spaces. The applicant is proposing to have up to three retail uses within the building, each with approximately 2,500 square feet of gross floor area. With the PO reduction, each retail use would require three spaces, for a total of nine. The total vehicle parking requirement for the site is 25 spaces and 36 parking spaces are provided. The blood/plasma collection facility does not have a bicycle parking requirement. The combined total of required bicycle parking for the retail spaces is nine spaces. The site plan does not indicate any bicycle parking. As a condition of any approval, a minimum of nine bicycle parking spaces would be required. However, as noted below, staff believes that additional bicycle parking for the blood/plasma collection facility would be beneficial in helping to minimize traffic congestion.

There are two surface parking lots on the site. There is one lot with 26 spaces that fronts on University Avenue SE and is accessed from 27th Avenue SE. The second lot is on the north side of the site, fronting on 4th Street SE. This lot contains ten spaces. This is also where the loading space is provided. While the applicant is meeting the minimum parking requirement, the parking lot at the current site (1026 Washington Avenue SE) is consistently full and vehicles are often parked outside of the paved parking area. Staff has also observed overflow bicycle parking. A number of the uses clients access the site via public transportation and there are several options for alternative modes of transportation in the area. If the use were to be approved, staff recommends a condition of approval for at least ten additional bicycle parking spaces.

In terms of loading, the applicant has indicated that the plasma collection facility has a commercial vehicle that accesses the site about once a week to pick up plasma. The loading function is not expected to contribute to traffic congestion in the public streets.

5. Is consistent with the applicable policies of the comprehensive plan.

The Minneapolis Plan for Sustainable Growth identifies this site as mixed use on the future land use map. The site is located within an Activity Center, near a Growth Center and along University Avenue which is a commercial corridor in this location. The site is also within a Transit Station Area. According to the principles and policies outlined in the comprehensive plan, the following apply to this proposal:

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- 1.1.4 Support context-sensitive regulations for development and land use, such as overlay districts, in order to promote additional land use objectives.
- 1.1.5 Ensure that land use regulations continue to promote development that is compatible with nearby properties, neighborhood character, and natural features; minimizes pedestrian and vehicular conflict; promotes street life and activity; reinforces public spaces; and visually enhances development.

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- 1.8.1 Promote a range of housing types and residential densities, with highest density development concentrated in and along appropriate land use features.

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- 1.12.5 Encourage a height of at least two stories for new buildings in Activity Centers, in keeping with neighborhood character.
- 1.12.7 Encourage the development of high- to very-high density housing within the boundaries of Activity Centers.

Land Use Policy 1.13: Support high density development near transit stations in ways that encourage transit use and contribute to interesting and vibrant places.

- 1.13.1 Encourage pedestrian-oriented services and retail uses as part of higher density development near transit stations.
- 1.13.3 Discourage uses that diminish the transit and pedestrian character of areas around transit stations, such as automobile services, surface parking lots, and drive-through facilities.
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Land Use Policy 1.15: Support development of Growth Centers as locations for concentration of jobs and housing, and supporting services.

- 1.15.4 Encourage the development of high- to very high-density housing within Growth Centers.

The site is also located within the study area of the *Stadium Village Master Plan*, adopted by the City Council in August of 2012. The future land use map in this small area plan identifies the site for mixed use. The site is within the Prospect Park Station Area and the smaller 27th Avenue Open Space Character District in the plan. Applicable policies related to this smaller district are as follows:

- District is a primary north/south connection through the study area.
- Numerous potential redevelopment opportunity sites defined in the district along 27th Avenue.
- Opportunity to improve character of public realm with streetscape enhancements, stormwater management and architectural guidelines.
- Informal character border or buffer with Prospect Park neighborhood.

The recommendations for the Prospect Park Station Area that are applicable to the site are as follows:

- Higher density residential development in the area west of 27th Avenue and on the neighborhood side of University Avenue.
- Support the redevelopment of this area with high density residential mixed use, with retail primarily fronting on University Avenue.
- Encourage a mix of uses that complements those in the Stadium Village commercial core and expands upon the options available.

For the 4th Street SE and University Avenue SE Corridors, the plan says the following:

- Encourage the development of medium to high density mixed-use development facing towards University Avenue SE on both sides, with transitions to a residential character and frontage on parallel streets at the rear of the sites.
- Encourage redevelopment of 4th Street SE as a primarily high density residential street with a range of housing types. Allow for a limited amount of mixed use, particularly around station areas, that complements the residential character.

The land use recommendations for the Prospect Park Station Area call for supporting the redevelopment of the area with high density residential development on the subject site.

The proposed use is not consistent with the above policies of the comprehensive plan and the Stadium Village plan. Furthermore, staff is recommending denial of the rezoning to the C4 district, as evaluated above, and therefore the use would not be permitted.

6. And, does in all other respects conform to the applicable regulations of the district in which it is located.

A blood/plasma collection facility is not a permitted use under the existing zoning and staff is recommending denial of the request for rezoning to the C4 district. Therefore, the use would not conform with the regulations of the district in which it is located. In the event that the applications were approved, the parking areas are both proposed to be landscaped in compliance with Chapter 530, Site Plan Review, including 7-foot landscaped yards between the parking areas and the public streets, plantings that are a minimum of three feet in height and 60 percent opaque and deciduous trees within 50 feet of each parking space.

RECOMMENDATION:

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the rezoning:

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission and City Council adopt the above findings and **deny** the application for rezoning from the I1, Light Industrial district to the C4, General Commercial district for the property located at 315 27th Avenue SE.

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the conditional use permit:

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **deny** the application for a conditional use permit for a blood/plasma collection center for the property located at 315 27th Avenue SE.

Attachments:

1. Statement of proposed use and project description
2. Correspondence
3. Zoning map
4. Future land use map
5. Rezoning matrix
6. Site plan, floor plans and elevations
7. Photos